HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Industry, Science and Technology

INDU • NUMBER 122 • 1st SESSION • 42nd PARLIAMENT

EVIDENCE

Tuesday, June 12, 2018

Chair

Mr. Dan Ruimy

Standing Committee on Industry, Science and Technology

Tuesday, June 12, 2018

● (1535)

[*English*]

The Chair (Mr. Dan Ruimy (Pitt Meadows [illegible]ple Ridge, Lib.)): Welcome, everybody, to meeting number 122 of the Standing Committee on Industry, Science and Technology as we continue our five-year legislated review of the Copyright Act.

With us today we have some interesting folks. From Audio Cine Films, we have Jean-François Cormier, President, and Hugo Desrosiers, Vice-President. From Border Broadcasters, Inc., we have Francis Schiller, First Director, Public Interests Research and Communications Inc. From Music Canada, we have Graham Henderson, President and Chief Executive Officer. From the Alliance of Canadian Cinema, Television and Radio Artists, or ACTRA for short—I prefer the shorter name—we have with us Laurie McAllister, Director, Performers' Rights Society and Recording Artists' Collecting Society, and Elliott Anderson, Director, Public Policy and Communications, National.

You will each have up to seven minutes. We are running a little bit behind, so we're going to get started right away.

We're going to start off with Audio Cine Films.

[*Translation*]

Mr. Cormier, you have seven minutes.

[*English*]

Mr. Jean-François Cormier (President, Audio Cine Films Inc.): My name is Jean-François Cormier. I am from ACF in Montreal.

We're basically a non-theatrical rights representative for Canada, meaning that we manage public performances for major studios and films. Our role is to make sure that public performance licences are issued for all types of public performances using basically commercially available movies. We've been in business since 1966. We've been operating across Canada for about 30 years, and we operate in basically any and all types of public institutions, private business, and government. Any type of public performance of a movie, in a park, in a school, in a library—anywhere, basically—has to be licensed with us since we're the rights representatives for specific studios and the films they represent.

An example of what we do is that movies in the park in municipalities during the summer have to be licensed. We also license public libraries for film events they might have for small or large groups. We license school boards and schools for leisure movie presentations. We license the Alberta legislature. They want to show movies in one of their buildings, so we license all across the board.

It's pretty straightforward. We have a set number of studios and films we represent, and our licensing is for those. We have about eight or nine employees, and a lot of our revenues and licences previous to the last copyright changes were from educational institutions, colleges, and universities that paid a licensing fee in order to present commercially available movies, classics, and new films, either in film classes or any type of class that might use film.

Obviously, the new changes affected us in a very negative way. Probably up to 35% to 40% of our sales and overall revenues were affected, because right off the bat, any type of presentation that occurred for educational purposes in schools, colleges, or universities no longer required a licence.

What we found over the last five years is that definitions that were in the last Copyright Act were general. They weren't nailed down, so educational presentation is used in various situations. In classrooms for curriculum needs, it's clear and it's acceptable, but in all sorts of other situations, we find that there's a lot of—from our perspective—abuse. For example, in a school, Friday night movie night with families and kids at 7:00 p.m., for them it will be an educational presentation because they're using a culturally significant film, I don't know, like *Toy Story* or something. To us, it's not an educational presentation; it's a leisure presentation. We have to fight a lot of these types of situations. We're a small company, and we don't always have the time or energy to make sure everything is respected across the board.

Over the last five years, we've spent most of our time trying to police those types of situations as best we can. We don't have any difficulties with any other types of situations—public performances in any other type of organization aside from schools—but we found that in schools, there are a lot of grey zones, and we tend to be on the losing side of the argument when it comes to grey zones.

Hugo, is there anything else you want to add?

● (1540)

Mr. Hugo Desrosiers (Vice-President, Audio Cine Films Inc.): Yes, if I may.

The major aspect that affected us with the last change of the law is what Jean-François called the fair dealing aspect. We had to fight a lot and educate a lot. The organizations liked to pretend they were doing it on a fair dealing aspect.

The other aspect that was a lot of trouble for us was all the documentary sites. We have partner studios that produce and distribute a lot of the documentaries and they lose a lot of business. I spoke with the president of one of those companies and he lost almost 90% of his business since the law changed, because all his documentaries were used in class for educational purposes. Since the fair dealing aspect of the law has been applied, he's had a lot of trouble financing new productions, so most of the schools tend to get content from the U.S. instead of getting Canadian-made and specific types of documentary content, because nobody wants to finance them.

Mr. Jean-François Cormier: One of the major arguments that was mentioned five years ago was that a lot of these small independent documentary companies would have a lot of difficulties with the new regulations and the educational exceptions. It's come to fruition that a lot of these companies have either gone under or have had to scale back a lot of their productions. We are a bit different in that we deal with commercial movies, so it's a lot of leisure, but, again, a lot of our movies are used in educational presentations for various reasons.

The Chair: Thank you very much.

We're going to move to Mr. Schiller from Border Broadcasters.

You have up to seven minutes.

Mr. Francis Schiller (First Director, Public Interests Research and Communications Inc., Border Broadcasters, Inc.): Mr. Chair, vice-chairs, committee members, clerk, and committee staff, thank you for the opportunity to appear before you today as part of the statutory review of the Copyright Act.

My name is Frank Schiller. I am here as a Canadian adviser to Border Broadcasters, Inc., the not-for-profit copyright collective that represents 26 over-the-air American television stations, including ABC, CBS, NBC, and Fox affiliates.

Local and distant digital broadcast signals and programming from these TV stations are appropriated and imported into Canada, packaged in channel bundles, and then sold to pay TV subscribers in all markets across Canada. Cross-border television broadcasting reflects our common values, our shared communities of interest, and programming diversity. From modern digital broadcasting infrastructure to local news, weather, sports, and entertainment programming, as well as emergency alerts, local TV brings us together.

Since the dawn of television, local U.S. border stations have had a distinguished legacy of strengthening and deepening the relationship between Canada and the United States. Canada has been importing U.S. television signals and programming for over 40 years. This has been happening without notice, consultation, consent, or compensation for the U.S. station owners in the Canadian listing and licensing process.

I am seeking your committee's support on two fronts today: first, your support for fair treatment and full compensation for U.S. border stations in Canadian local and distant signal retransmission practices, including under copyright; and second, your support to modernize the cross-border retransmission right provisions under the existing Canada-U.S. trade agreements, including the North American Free Trade Agreement and/or the Canada-U.S. free trade agreement.

Your committee's review of copyright is timely. The related issues go back to the retransmission rights provisions first set out in article 2006 of the Canada-U.S. FTA. At the time, there was no compensation consistent with the 1976 U.S. Copyright Act for American stations subject to cable retransmission in Canada. The intent was to bring equitable and non-discriminatory retransmission remuneration to accommodate U.S. border stations and program owners. Since then, there have been significant technological changes, including the switch from analog to digital television broadcasting, as well as important regulatory developments, including a retransmission consent regime that was adopted by the U.S. Congress in 1992. This was followed in 2008 by the end of the advertising-only business model for local TV broadcasting.

Canadian laws and regulations encourage Canadian TV services to take and appropriate without consultation, consent, or compensation the signals and programming of U.S. border stations. After 30 years of administration, U.S. TV stations are still waiting for equitable and non-discriminatory treatment in Canada. Canada does not require reporting, auditing, or notification provisions when Canadian distributors are licensed to package and sell listed American digital signals and programming to Canadian TV subscribers. As a result, U.S. stations cannot reasonably determine where and when their digital broadcast signals and programming are being sold to Canadian TV subscribers.

Canada accepts inaccurate data for Canadian viewership of retransmitted American TV services. This causes economic injury to U.S. station owners. For example, in 2010, TV viewing measures changed in Canada, with under-representation of U.S. border stations. At the same time, Canada changed its distant signal distribution regulations linking the distribution of distant U.S. signals to all Canadian distant signals. The immediate impact of these changes was a significant under-reporting of Canadian viewership of U.S. TV stations. Consequently, copyright allocations to U.S. border stations were retroactively reduced by over 64%. At the time, this resulted in an unfair liability of $7.4 million against Border Broadcasters, Inc.

Moving forward, remission of the copyright liabilities for border broadcasters is essential for fair trade. It's notable that local U.S. TV border stations receive no copyright remuneration for local retransmissions. This needs to be corrected moving forward.

Canada also permitted the retransmission of sets of digital HD signals from U.S. stations beginning in 2000. However, Canada did not begin to update the definitions of local digital signals and distant digitals for copyright remuneration purposes until 2013. The Canadian copyright system is not providing for equitable and non-discriminatory treatment of U.S. stations.

Modernizing our trade arrangements now will result in win-win outcomes, including for Canadian viewers, and an ongoing cross-border legacy that will continue to strengthen Canada and U.S. relations.

● (1545)

New commercial revenues from consent rights in Canada's listing and licensing processes, in addition to equitable and non-discriminatory remuneration opportunities, will benefit local Canadian television.

Canada should support the retransmission consent annex to the cross-border services chapter as proposed in NAFTA 2.0 negotiations currently. This will rebalance and correct the unfair existing practices while supporting a vibrant and sustainable domestic market into the future. Television broadcasting is part of the digital envelope. The U.S. experience confirms that local stations are profitable and they reinvest retransmission consent revenues in local digital broadcasting infrastructure as well as expanded local news offerings.

Recent U.S. studies highlight that in most small and medium-sized markets, local TV stations are the primary source for local news online. With the digital transition complete, U.S. stations are getting set for the introduction of the new ATSC 3.0 television broadcast standards. This includes next-generation digital video delivery services to both mobile and fixed receivers, seamlessly combining over-the-air and broadband delivery. Next-generation TV test markets even include autonomous vehicle researchers and manufacturers.

By co-operatively working together now as old and close neighbours, allies, and free trade partners, we can improve copyright and consent remuneration opportunities. This will benefit local viewers, communities, TV services, and broadcasters on both sides of the border. This can all be accomplished within Canada's existing cultural exemption.

Thank you.

The Chair: Thank you very much.

We're going to move right to Mr. Graham Henderson from Music Canada.

You have up to seven minutes.

Mr. Graham Henderson (President and Chief Executive Officer, Music Canada): Good afternoon, and thank you for the opportunity to testify to this committee on behalf of Music Canada.

This committee's review of the Copyright Act comes at a critical time for Canada's creators. It is a time when governments around the world are questioning whether the current digital marketplace is functioning fairly for the world's creators. The reality for music creators in Canada is that there are provisions in our own Copyright Act that are preventing them from receiving fair market value for their work. I believe the best way this committee can assist in creating a marketplace that is transparent and that supports Canadian creators is by providing the government with straightforward, accessible solutions to address the value gap.

Music Canada has produced a comprehensive report—almost one of a kind in the world—on the value gap, and you have it in French and English in front of you. We define the value gap as "the significant disparity between the value of creative content that is accessed and enjoyed by consumers...". This is enormous, and the revenues that are returned to the people and businesses who create it are tiny.

Today more music is consumed than at any time in history; however, the remuneration for that content has not kept pace with the record levels of consumption. The same is true for digital video content, film, and journalism.

I was pleased to hear Minister Joly recognize this point earlier this year, when she stated, "The benefits of the digital economy have not been shared equally. Too many creators, journalists, artists have been left behind...".

The origins of the value gap can be found more than 20 years ago. It was the dawning of the digital marketplace, and countries around the world struggled to reinterpret copyright laws that were designed for an analog age. They wanted to protect creators, but they also wanted to give a boost to young technological start-ups. Inevitably, perhaps understandably, mistakes were made.

Around the world, lawmakers and policy analysts thought of the Internet as a series of dumb pipes, where your browsing habits were anonymous and the data travelling between sites was so vast it was unknowable. Twenty years later, we know that the Internet is composed of the smartest pipes humankind has ever devised. Your web habits are meticulously tracked, and metadata that they generate is collected, analyzed, and sold every second of the day, mostly without our consent or knowledge.

While well intentioned when created, the impact of these laws today is that wealth has been diverted from creators into the pockets of massive corporate entities. What little is left over for creators is unfortunately concentrated in fewer and fewer hands. As a result, the creative middle class has virtually disappeared, and with it numerous jobs, opportunities, and dreams.

Now, there's no need to point fingers. No one planned for the creative middle class to suffer. The important thing at this juncture is to move forward purposefully and without delay to get the rules right. You should make absolutely certain that Canada's Copyright Act ensures a creator's right to be fairly remunerated when their work is commercialized by others.

The value gap is built on outdated safe harbour policies from around the world. The announcement made last week by Minister Bains and Minister Joly that the Telecommunications Act and the Broadcasting Act will be reviewed is an important step and in line with international movement to find a solution to the problem. Safe harbours have been raised by other witnesses, and I hope that the committee will give significant consideration to addressing them.

Right now, the Copyright Act is exacerbating the value gap by effectively requiring creators to subsidize billion-dollar technology companies. There are four steps that this committee could recommend. They could be immediately and quickly implemented, and would help creators and harmonize Canadian policy with international standards.

● (1550)

The first one would be to remove the $1.25-million radio royalty exemption. Since 1997, commercial radio stations have been exempted from paying royalties on their first $1.25 million of advertising revenue. This amounts to an $8 million annual cross-industry subsidy paid by artists and their recording industry partners to large, vertically integrated and highly profitable media companies. The costs to creators since inception have been $150 million.

Internationally, no other country has a similar subsidy, and the exemption does not apply for songwriters or publishers, meaning that performers and record labels are the rights holders who are singled out to subsidize the commercial radio industry. This is unjustified and should be eliminated.

The second one would be to amend the definition of "sound recording" in the Copyright Act. The current definition of "sound recording" in the Copyright Act excludes performers and record labels from receiving royalties for the use of their work in television and film soundtracks. This exception is unique to television and film soundtracks, and does not apply to composers, songwriters, and music publishers. This is inequitable. It's unjustified, particularly in the light of the profound role music plays in soundtracks, and it is costly to artists and record labels who continue to subsidize those who exploit their recordings. The cost to creators is about $55 million a year.

The third one would be to amend the term of copyright for musical works. The term of copyright protection in Canada for the authors of musical works is out of line with international norms. Under the Copyright Act, protection for musical works exists for the duration of the author's life plus a further 50 years, and that is out of line with international standards.

The fourth and final one would be, in private copying, to renew support for music creators. Years ago, a private copying levy had been created, originally intended to be technologically neutral. It has been limited by various decisions to media that are obsolete. This important source of earned income for more than 100,000 music creators is now in jeopardy unless the regime is simply updated. Music creators are asking for the creation of an interim four-year fund of $40 million.

Each of these changes would remove an unfair subsidy. This would harmonize our laws within our industries and bring us to international standards. These changes can be done simply, and they can be done today.

This is an exciting time. Seize the moment. As you review the act, you have the opportunity to put creators at the heart of your policy-making, ensuring that they are paid every time their work is commercialized by others.

Thank you.

● (1555)

The Chair: Thank you very much.

Finally, we're going to move to the Alliance of Canadian Cinema, Television and Radio Artists, ACTRA.

Laurie McAllister or Elliott Anderson, you have up to seven minutes.

Mr. Elliott Anderson (Director, Public Policy and Communications, National, Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)): We're going to leap back and forth.

The Chair: You can share your seven minutes.

Mr. Elliott Anderson: We'll share our time. We won't make you do two seven-minute ones.

The Chair: All right.

Mr. Elliott Anderson: Thank you, Chair, vice-chairs, and members of the committee. My name is Elliott Anderson, Director of Public Policy and Communications for ACTRA, the Alliance of Canadian Cinema, Television and Radio Artists. We'll call it ACTRA from here on.

We're a union representing more than 25,000 English-language performers living and working in every corner of the country.

With me is Laurie McAllister, who is Director of ACTRA's Performers' Rights Society, and also director of ACTRA's Recording Artists' Collecting Society. That's ACTRA PRS and ACTRA RACS.

ACTRA PRS collects and distributes residuals for performers in audiovisual productions—film and television—and ACTRA RACS collects royalties for artists and musicians on sound recordings. Laurie also serves on the board of SCAPR, which is an international coordinating body of 60 performer collective management organizations from 43 different countries, all working together to improve the exchange of data and performer rights payments across borders.

We appreciate this opportunity to speak with you.

The Copyright Act recognizes the inherent value of creative works. It is an important piece of legislation that has a material impact on performers and their ability to sustain a living and contribute to Canadian culture.

New technology has dramatically changed the way creative industries work, and the act needs to reflect the new economic reality our artists are operating in. While it's easier than ever to have your work seen and heard by people around the world, it's harder than ever to be properly compensated for that work. The digital shift has generated billions of dollars for multinational corporations who exploit creative works for huge profit, but the creative talent who generate those works are not always seeing the benefit. Despite the high profile of performers and recording artists, the reality for most is an incredible amount of hard work for a very modest return.

Laurie.

Ms. Laurie McAllister (Director, Performers' Rights Society and Recording Artists' Collecting Society, Alliance of Canadian Cinema, Television and Radio Artists (ACTRA)): Most actors and recording artists receive very modest compensation for their time spent recording a work, whether it's a film, a series, or a song that is enjoyed and exploited for profit for decades. There is value in their performance. Performance draws us in, keeps us engaged, and keeps us tuned in. The average Canadian adult watches over 30 hours per week of TV and online programming, and we spend over 15 hours per week listening to music.

Content and music are embedded in our lives and fuel our economy. Our artists, though, are struggling. The middle-class artist is disappearing. Many live at or below the poverty line. It's not because they aren't good. It's not because they don't book jobs. It's not because they don't get airplay. It's because they aren't compensated fairly for the use of their work.

As content and music have shifted to digital distribution platforms, those creating the work have been paid less for its use, if at all. This value gap is devastating to their livelihoods and is threatening the future of our cultural industries. In the digital era, it's more important than ever that our legislation ensure performers are fairly compensated for the value they create.

● (1600)

Mr. Elliott Anderson: Among our priorities today, the first for ACTRA members is passage and adoption of the Beijing treaty. In Canada's Copyright Act, rights of performers in audiovisual works are minimal. This arbitrary exclusion means that our actors and performers don't receive the legislated protection that others in the creative class receive, and it means we're leaving money on the table in countries around the world, money that could be flowing to Canadian performers.

If Canada signs and implements WIPO's Beijing Treaty on Audiovisual Performances, we could change that. By adopting the Beijing treaty, we would protect our performers' moral rights in audiovisual works and protect the right to remuneration for the exploitation of their works.

There are several reasons I want to lay out for the passage of the Beijing treaty.

First, it's a basic issue of fairness. These are rights that performers on sound recordings have already been afforded through the Rome convention in the WIPO Performances and Phonograms Treaty. Audiovisual performers—actors—are simply seeking the same rights.

Second, new rights would underpin the collective bargaining we have been doing for three-quarters of a century at ACTRA. Being part of an international treaty will help performers and the producers they work with ensure their rights are respected when their work is used abroad.

Third, economic rights would provide security for performers in the digital shift. We simply do not know how production and distribution models will change in the next 5 to 10 years. They've certainly changed a lot in the last 5 to 10 years. Having copyright protection will ensure performers can share in the economic returns generated by their creative works.

Finally, the moral rights would provide performers with basic rights as artists to have their name associated with the work of their choosing and to object to any modification or change that would injure their reputation.

Seventy-eight countries have signed this vital treaty and are in the process of ratifying. Adopting it would be an overdue step for performers and would bring Canada in line with the international community.

Ms. Laurie McAllister: I want to address three issues that are important to the recording artists and musicians we represent through ACTRA RACS, some of which will echo what we have just heard from Music Canada.

One, we ask that Canada stop relying on artists to subsidize profitable media corporations and repeal the $1.25-million exemption for commercial radio. In 1997 the exemption was introduced as a temporary solution for a struggling commercial radio industry. By 2016, commercial radio, now vertically integrated and run by a handful of large media corporations, had increased its profits 12,000% to over $437 million. Struggling artists are subsidizing large profitable media corporations, which claim the exemption annually for each individual station they own. The cost to performers and makers is $138 million in lost revenue over the past 17 years. Canada is the only country with this exemption, and eliminating it will have no impact on true small stations, including campus and community radio.

Two, amend the definition of "sound recording" as set out in section 2 of the Copyright Act. According to this definition, a sound recording is no longer a sound recording if it accompanies moving pictures, meaning performers and labels are not compensated for its use in film and TV. The effect of this runs contrary to the intent of the 1997 amendments, which were made to bring performers and makers in line with other music rights holders. Authors and publishers have long been compensated for the use of their work, including film and TV soundtracks. This inequity costs performers and makers an estimated $55 million per year in lost revenue. In 44 countries around the world, performers and makers have the right to receive royalties when sound recordings are used in film and TV, including in France, Germany, and the U.K.

Three, correct private copying. The private copying regime was introduced in 1997 to allow Canadians to copy music for private use without infringing copyright. In exchange, rights holders were to be compensated through a small levy on blank audio recording media. The intent was to be technologically neutral. You got it right in 1997; it was supposed to be future proof. However, a court decision limited the levy to media that are quickly becoming obsolete, blank CDs.

Since copies of music are primarily made on devices such as smart phones, this has had a devastating impact on our rights holders. Annual revenues from the levy have dropped from $38 million in 2004 to less than $3 million in 2016, while private copying activity doubled over that same time period. The effect is that rights holders have not received compensation for billions of private copies made of their work.

We support the Canadian Private Copying Collective proposal, which includes a long-term solution for copyright reform and an interim proposal for a four-year $40 million per year fund, to ensure music creators continue to receive compensation for copies made of their work until a more permanent solution can be enacted. It's worth noting that this one correction will benefit the spectrum of music rights holders and is urgently needed.

● (1605)

Mr. Elliott Anderson: We'll be submitting a comprehensive brief, which will cover all issues important to our members and to other Canadian artists in more detail.

For today, we thank the committee for their time and look forward to your questions.

The Chair: Thank you very much.

We're going to jump right into questions from our members.

Mr. Longfield, you have seven minutes.

Mr. Lloyd Longfield (Guelph, Lib.): Mr. Chair, seven minutes isn't nearly enough, so I'll try to keep my questions short.

It's great to see you again, Graham. It was a great presentation. We sat on the Ontario Chamber of Commerce board together, many years ago now.

Music is business. I think when we look at the connection of music to the economy, we have a model that needs some sort of market correction. The market was based on some assumptions that no longer exist, in terms of technology being used and how our artists are being compensated for their work.

Could you help me to draw a connection between the intellectual property rights of a digital creator of coding versus the intellectual property rights of a digital creator of music?

Mr. Graham Henderson: I'm not an authority on copyright inherent in coding, but I think what you said off the top, about music being business, is very salient for this committee. This committee might think of creators as belonging to the heritage committee, because that's where we proposed the creative component of our study, but every musician is a businessman, and now more than ever. The ranks of artist entrepreneurs are growing daily. Every song that is created by an artist entrepreneur is an innovation capable of commercialization. Rightfully, they are core stakeholders of ISED. I think that's an important point.

Mr. Lloyd Longfield: The creators of music can be Inuit, first nations, young people, old people. They go across a cultural spectrum and we support SMEs differently than we support artistic creators.

Mr. Graham Henderson: That's right. Each young artist who enters the marketplace could be thought of as a start-up. Our government has rightly accorded all kinds of benefits to technology start-ups, and that makes sense. What's missing and what we can add now to redress that balance is to focus on our creators as business people who are creating innovations and who are engaged in business start-ups. Some of them have quite complex little businesses, but all of those businesses are being seriously impaired by the types of injustices that Laurie and Elliott outlined, these very small returns, despite the fact that the music is being used extensively, and around the world.

● (1610)

Mr. Lloyd Longfield: This might relate to Mr. Schiller as well as you, or ACTRA, or other people who are at the table.

I have a new General Motors automobile. It has Sirius satellite. It's American. You get it for free for six months. I never renew it because it's all American and I'm used to listening to Canadian music. We don't get access to Canadian music on the technology in our vehicles through these satellite networks that are coming up to us from the States. Is there some consideration in terms of satellite transmission either from the States to Canada or Canada to the States that we need to look at in terms of this act?

Mr. Elliott Anderson: I wouldn't say in terms of this act. I may very well end up in front of this committee as we look at the Broadcasting Act and the Telecommunications Act. The exemption of the digital sphere from the regulations that the CRTC employs is actually a huge factor in that. Basically, we have traditional media, where there are Canadian content rules but increasingly, we're listening on different platforms.

Mr. Graham Henderson: That was a huge battle at the time. That was an immense battle that was fought out on the front pages of newspapers, whether or not Canadian content rules should apply to those satellite...to Sirius and the others.

Mr. Lloyd Longfield: I have two other quick ideas. I'm sorry, I'm focusing on Graham.

I really want to focus on the business of this. When we're looking at the act protecting Canadian content, whether it's in the schools.... Other testimony here is saying the schools are not paying the Canadian creators. The schools have tight budgets, and they're balancing their budgets on the backs of Canadian creators. We've talked about exemptions. We've talked about safe harbours in previous testimony. How do we come into this as a federal act when we need to look at centring our attention on the creators of Canadian information, whether it's music or whether it's—

Mr. Graham Henderson: I think you've put your finger on the issue, because you have another exemption, another exemption, and another exemption. We all talk about exemptions to copyright. Every single time policy-makers create an exemption, they're excusing somebody from paying a royalty to somebody else, and our laws are shot through with these exceptions.

If we believe that technology companies are so important to our society that they deserve a leg up, why are we imposing the burden on one sector of the creative class? Why are we not, as a society, assuming that burden, whether it's through tax credits or whatever else you might think? In point of fact, from the dawning of the digital age, policy-makers here and around the world—although the balance is swiftly changing—decided that the creators would subsidize the broadcast and technology companies.

Mr. Lloyd Longfield: I have less than 30 seconds left. I'm a mechanical engineering technologist by trade. I also have an English degree, and my English degree I found very useful in my engineering work. By having music in my ear buds while I was designing machines and equipment, I had that side of my brain working. The arts aren't looked at in the same way as science or technology. What's the bridge that we need to make sure we cover there?

Mr. Graham Henderson: The connection is there, and the evidence is in. We can nurture the creative side of our brains while we're nurturing the more technological side of our brains. They work together.

The Chair: Thank you very much.

Mr. Jeneroux, you have seven minutes.

Mr. Matt Jeneroux (Edmonton Riverbend, CPC): Thank you, Mr. Chair.

Thank you, everybody, for being here and taking the time to prepare your presentations.

I feel like we're picking on you a bit, Mr. Henderson. I want to focus a few of my first questions on you.

Your organization represents Sony Music, Universal Music, and Warner Music Canada. Generally speaking, these are the types of actors that profit the most from the value chain of a song or a movie, particularly when acting in a producer capacity. StatsCan data shows that median incomes in all occupations of the music industry have increased between 2010 and 2015, except in the case of the performers themselves, for whom they have decreased.

Is it possible that artists' remuneration is being impacted not only by digital disruption and some of the value gap issues you raised, but also by producers who are taking increasingly larger shares?

Mr. Graham Henderson: No, in fact the opposite is true. A performer's share of the pie vis-à-vis their corporate interactions with labels has increased. That's not where the value gap lies.

The problem is that vast sums of money are pooling outside of our business, on the other side of the ledger, and it's having a catastrophic effect not just on creators but also hundreds or even thousands of jobs have been lost. That's not just at major labels. It's also the number of managers and agents. The support network that used to exist for performers has largely disappeared.

● (1615)

Mr. Matt Jeneroux: You provided us with the value gap document. I haven't had a chance to look at it yet. Is some of that outlined in there?

Mr. Graham Henderson: Yes.

Mr. Matt Jeneroux: Of course it is. Fantastic.

ACTRA, would you mind commenting on some of that as well? I'm sure you may have some thoughts, too.

Ms. Laurie McAllister: To echo what Graham said, a lot of this money is sitting outside what we consider to be the music industry. In terms of neighbouring rights and equitable remuneration, the performers and the makers share that fifty-fifty. I can't here, right now, speak to or support what you're saying.

Mr. Graham Henderson: Generally speaking, this is a performers' group. I'm in an investor group. You notice how much we align. We're in a time of unprecedented unity where we've all come together. We recognize a common problem. Nobody's pointing fingers at one another, and we see the solutions.

Everything we asked for at Music Canada, or at least the first two, benefits the performers equally because it's a fifty-fifty remunerative right. The term extension is really only for publishers. That's not us. The private copying levy, well, we would only receive a very small....

You made the point, right? It's right across the board, blended.

Ms. Laurie McAllister: Yes. It would benefit the songwriters, the publishers, the performers, and the labels, and I think the performers perhaps even a few percentage points more than the labels.

Really, we're talking about the health of the entire industry, and we're looking for the redistribution of funds accrued by the large corporations down to the creators. That's the overarching principle of the Copyright Act, to make sure that the people who create the work also share in the economic benefit accrued by others in exploiting that work.

Mr. Matt Jeneroux: Okay.

I have two little girls, and like a lot of Canadians, we spend a lot of time watching YouTube videos. When a video shows up on YouTube, it often shows up with a "Vevo". It seems to have a large presence on YouTube videos, as most major artists have a Vevo channel of their own. When searching a song, the video hosted by Vevo is generally the first option. Can you help explain to the committee what Vevo is, how it pays artists, and whether YouTube has a direct relationship with Vevo?

Mr. Graham Henderson: No, Vevo.... Currently—and YouTube will tell you this—98% of everything that's on YouTube is licensed because we're all remunerating it. The days of it all being illegal content are drifting away. That doesn't mean there isn't illegal content there. Vevo is a channel. It's an American entity. I'm not exactly sure who it is, but you go there and stream from there, or you can stream from the regular YouTube.

The real issue with YouTube—and this is the real value gap—is the degree to which artists are so poorly remunerated by those ad-supported services.

We are living in a streaming world now. For the first time, streaming has surpassed physical, surpassed downloads, surpassed everything. It's the dominant method that people use. There are two specific models. One is the paid subscription model—that's Spotify or Deezer—and then you have the ad-supported services, which feature mostly user uploaded content—that's YouTube.

If you look at the digital breakdown, the revenue return from paid subscriptions as a percentage of the digital pie is almost 60%, and the revenue return from YouTube is under 6%. So fewer subscribers to Spotify—because they're paid subscribers and because we negotiated a deal with them—return an enormous amount of money despite the fact there are more YouTube users. It's just so little that comes back.

Mr. Matt Jeneroux: With YouTube moving to their own streaming service, in your opinion, is a lot of the YouTube exemption that was put in the previous act now moot?

● (1620)

Mr. Graham Henderson: No, because all they're doing is offering a service like Spotify. I forget what they're calling it, but it's a service—

Mr. Matt Jeneroux: It's called Remix, I believe.

Mr. Graham Henderson: Yes, that's right. It just sits over there, but that's in a different component. That falls into subscription. Whether or not they're going to put money behind it and whether or not people are going to support it are issues.

Mr. Matt Jeneroux: If they did put money behind it and support it—sorry. That's for another day.

The Chair: You'll come back to them, I'm sure.

Mr. Masse, you have seven minutes.

Mr. Brian Masse (Windsor West, NDP): Thank you, Mr. Chair.

Thank you to our delegates for being here today.

Who from your respective industries is making the lion's share of money from the products you're actually supposed to be recuperating money from? We've heard consistent testimony that there's a lot of money moving around, but it's not getting to creators in particular.

Is it the consumers who are not paying enough, or is it a particular organization or company that's actually receiving the lion's share of the money?

Maybe, Mr. Cormier, we can start with you.

Mr. Jean-François Cormier: Obviously, we're a bit different from music. We're in film and cinema. We represent major American studios mostly, and some Canadian content. Obviously, these are big companies. The revenue they generate in Canada through film is quite large, but that is a separate sector from us. That's what we call commercial or theatrical.

Our sector is quite small. Obviously, the money we generate through licensing is for content that is generated by these studios, which they own. We feel that, in given exceptions, which are very broad and undefined from our point of view, our rights, as rights representatives—

Mr. Brian Masse: Who are you not getting paid from? Is it basically the schools, the kids, the people showing movies? That's what I'm looking for. I want it clean and simple. Is it consumers?

Mr. Jean-François Cormier: From our perspective, it's educational institutions. We feel that the exceptions are too broad and undefined.

Mr. Brian Masse: Okay. That opens up that gap, and you gave some good examples.

Mr. Schiller, I know that you're missing a treaty.

Mr. Francis Schiller: I think it's important to appreciate that Canada's policies have consistently allowed our broadcasting distribution undertakings and our satellite relay distributions undertakings to benefit, in that they're allowed to appropriate or take U.S. digital signals, package them without the consent of the U.S. station owners, and then sell those channels to Canadians. It's pure profit for our broadcasting distribution undertakings.

If you look at the history of our industry, you'll see that it has effectively been based on taking the Windsor TV package and selling that across the country. That's been done without the consent of the owners of these stations. In this case, it's clearly our vertically integrated distribution industry that is benefiting from our very permissive policies right now.

Mr. Brian Masse: Mr. Anderson.

Mr. Elliott Anderson: You specifically said you wanted the most straightforward answer possible, and it never is that.

Mr. Brian Masse: No, I get it.

Mr. Elliott Anderson: Ultimately, this does come down to fact that the new players disrupting the market are the FANG companies. We're talking about Facebook, Amazon, Netflix, and Google. These players are emerging. The are increasingly becoming dominant. They are long past the stage where they are scrappy start-ups. They are now absolutely huge multinationals that are in a position increasingly—and I certainly see this on the film and television side, but we also clearly see this on the music side, and I think Graham will probably be able to echo that in a few seconds. They have reached levels that are almost as if you would go back to the 1920s.... I read a piece recently that was talking about this in terms of the trust-busting era. We're almost at that size. We've obviously seen this play out in a number of different venues. The impact of Facebook in politics is a huge one, for example.

What's important for us...and this is what we will be talking about in terms of the Broadcasting Act and Telecommunications Act, but also particularly in terms of the Copyright Act, is to.... In an environment where you are going to see increasing consolidation and fewer players who are able to use these new disruptive technologies they've used, which have a lot of hugely positive impacts but also disrupt traditional ways in which artists have done business, we need to find ways to level the playing field to ensure that the people who create the work are able to profit even just in an equitable way, as opposed to the people who are now finding new ways to exploit the work and are increasingly able to dictate terms unilaterally.

● (1625)

Mr. Brian Masse: We've reached the tipping point where there's probably such a power relationship in the negotiations that it's extremely difficult. Some would argue that's the free market figuring itself out. Others would call it exploitation. It really depends on your interpretive view of things. Has the balance of trying to get into this medium now made it difficult to extract some type of a reasonable rate of return?

Mr. Graham Henderson: In part, that's because policy-makers around the world—governments—decided to give the technology companies an advantage in the negotiations. It's very difficult to negotiate with somebody when they can stand behind a safe harbour. It's very difficult to negotiate and get.... We can't get market rates. The reason YouTube returns so little value as compared to Spotify is that in the case of Spotify, we were able to negotiate with them. There were no safe harbours. In the case of YouTube, hiding behind a safe harbour, the per-stream return is one-twentieth.

Part of what we're asking is for governments around the world to level this playing field, to remove all of these advantages that were afforded to these gigantic technological enterprises or broadcasting enterprises, and to return some semblance of balance to the market. That's what our members want. Our members—performers and my people—want a functioning marketplace.

Mr. Brian Masse: Would it be fair to say that Mr. Schiller's issue —and I know it's a personal issue, but it's what he's presenting here —is almost the canary in the coal mine in the sense that you almost need some international agreements, to some degree, to deal with some of the jurisdictional issues over taxation policies? Should that be part of what needs to happen?

Mr. Graham Henderson: I think every country has to make its contribution. The EU is fully charged with this issue right now and is probably on the verge of doing something about it. There are discussions going on in the United States, in Australia, and around the world, and we're having them here. What we do here can make a difference for your neighbours.

Mr. Brian Masse: But my question is about needing international agreements. I'll have Mr. Schiller respond, but you're still suggesting that it's one country one-offs.

Mr. Graham Henderson: What we're asking for are changes to our copyright law.

Mr. Francis Schiller: I just think it's important for committee members to understand and appreciate that it was accommodating U. S. border stations that led to the copyright regime as we know it now, and Canadians benefited from that accommodation of U.S. border services. Unfortunately, it didn't go far enough, and we now find ourselves in a position where large distribution companies in Canada are benefiting.

I would also just like to highlight for committee members that it's a uniquely Canadian phenomenon we're experiencing now. People talk about the digital divide. We have the traditional media, and then we have new digital industry. Television broadcasting is part of the digital divide, and it's really important in Canada. Because we have a vertically integrated industry that owns the channels of distribution as well as the broadcasters, our local stations hemorrhage money, whereas in the U.S. they're independent and they're profitable. They're profitable because they have the ability to negotiate with their cable and satellite industries; they have the ability to leverage fees beyond advertising, and they have the ability to work with other stakeholders.

And it's only going to become more intense. As we complete the switch to digital broadcasting and next-generation TV comes online, we're seeing the ability to directly broadcast to mobile phones without data plans, and this is free television. Currently in the U.S. there is multicasting. Your local station will also provide you a movie channel, or a news channel, or something specific. It's only going to grow exponentially. However, in Canada, our consumers aren't receiving any of that benefit right now because we're letting the traditional cornerstone of our whole system wither on the vine. We think that by addressing.... The canary in the coal mine really is the right analogy, because the key to dealing with this is really dealing with broadcasters fairly. Sorry.

Thank you.

The Chair: All right. We're a little over time on that one.

I don't like to cut people off, but I look for a break in their sentences.

We're going to Mr. Sheehan.

You have seven minutes.

Mr. Terry Sheehan (Sault Ste. Marie, Lib.): Thank you very much for the presentation.

I don't know if anybody has thought of this or if they have data, but I want to pose a question for you. Sometimes this committee will try to figure out how something we are studying or undertaking will affect rural Canada.

I am from Sault Ste. Marie, in northern Ontario. We have a creative economy there. Like many regions in rural and semi-rural Canada, we are trying to attract television, film, music, etc., and we've done a great job, and ACTRA has been good, maybe bending the rules sometimes. We have a number of actors and apprentices there.

Do you have any thoughts on how changes to the copyright law could affect the people you represent or that particular creative community in what I'll call rural Canada, the non-urban centres where a lot of it goes?

● (1630)

Mr. Graham Henderson: I'll recommend that the committee read the testimony of Andrew Morrison. He testified with me at heritage a couple of weeks ago. He is a member of The Jerry Cans. He is from Iqaluit. They were on the Junos. Actually, the night before he testified they had been at the National Arts Centre. They're a fantastic band.

He testified at length, extemporaneously, without notes—unlike me—unrehearsed—unlike me—and delivered this brilliant explanation of how it was affecting him, and how it was changing his life and his band's life not to be able to receive proper remuneration when his music is experienced other than live.

Now, if your income is restricted to live performance, around the world some of the most impacted performers are those who live in remote and rural locations. They have extra travel time. They have extra costs. If you're on Vancouver Island, you have a ferry fee. If you're in Belfast and you want to go to England, you have ferry fees, and in some cases you're in fly-in communities. Every time you circumscribe the amount of money that is in the marketplace, some of the hardest hit people are the people you're talking about.

Rory is a chamber of commerce friend of mine. I've spent a lot of time up in the Soo and it has a great music scene. I think this is a question of doing everything we can. This is not just about major players.

Andrew's point was that it's niches that are being hurt. Some people used to think that the only people who were going to be hurt were the big guys and that they were just going to disappear and that the niche people would.... That's not what's happening.

Mr. Terry Sheehan: Is there anyone else?

ACTRA.

Mr. Elliott Anderson: I would just say that the importance of what we've been talking about today is that we need to find ways to create sustainable incomes for artists. The pull of the major urban centres is a constant factor, but we're increasingly seeing that there's a lot of film and television production going on in northern Ontario right now. A lot of that has to do with local incentives, but it also has to do with the fact that you can set up a production in the Soo or in Sudbury and you can find the talent there. The talented performers—and it's not just performers. I know that last week you heard from our friends at the Directors Guild and IATSE. The reason they're able to maintain a living, to work and live there and not get sucked into Toronto or Vancouver or south of the border, which used to happen a lot more, is that they are able to piece together income from various sources. Some of that, as was noted, is the work that's done on the day. You get paid in terms of the work you do on session. The other part, which is a huge part of a working actor's income, is being able to rely on these residual payments. A huge factor for us, in terms of the amendments to the Copyright Act to include Beijing, is that we are going to be able to ensure that those residual payments happen. That will allow people to continue to work in their communities. As noted, these are independent business people. They're scraping together work where they can and income where they can and different revenue streams. For a lot of our members, this is not the only work they do. The more you can secure incomes, the more likely you are to have people avoid that sound.

I would just mention finally that I do know there was recently a PricewaterhouseCoopers study in Nova Scotia that talked about the drain. Northern Ontario and the Maritimes see this a lot. Building these industries and keeping them sustainable and ensuring that people can make ends meet is a great way to keep people, and particularly young people, because we often see a drain of youth. Building these industries and ensuring that people can make a decent living at them is a good way to keep people home, so to speak, and, frankly, to bring people in.

● (1635)

Mr. Terry Sheehan: Sure.

Mr. Schiller.

Mr. Francis Schiller: I think something that impacts rural Canadians is the cost of their cable or television package. I think right now our copyright system encourages the oversupply of duplicate programming in the way that they price the distant signals that they are packaging. I like to say that American television channels are the MSG of our Canadian cable package, because at every stage in development, they've used U.S. services and demands for U.S. services to grow the channel package. It was four plus one and then it was two sets of the four plus one. Then it was the superstations. Then if you live on a border, you could easily end up with 15 to 20 U.S. services that the station owners are receiving nothing for but that as a consumer you pay for.

Whether you watch all that duplicate programming or not, it's in your cable bill. We think that by looking at the cable and copyright remuneration and how they're charging for distant signals, you could actually reduce cable bills by eliminating that incentive to oversupply duplicate programming. At the end of the day, you could end up freeing up shelf space for more Canadian programming on people's cable services if that is the intent. But there's a direct correlation between the subsidy to our broadcasting distribution industry and the oversupply of U.S. services that inflate cable bills for consumers.

The Chair: You have about five seconds.

Mr. Terry Sheehan: Thank you.

[*Translation*]

The Chair: Mr. Bernier, you have five minutes.

Hon. Maxime Bernier (Beauce, CPC): My question is for you, Mr. Cormier.

You talked about the exemptions for educational institutions. Under these exemptions, they can show films publicly on their premises.

Do you have any more details about how this impacts your creators and the loss of revenue? Do you have any figures on that?

Mr. Jean-François Cormier: Yes.

As a company, we have definitely lost revenue. As I said earlier, we lost 30% to 35% of our revenues as soon as the act came into force. Many producers of educational films, which depended on the education sector, lost up to 90% of their revenues. Those producers were in fact selling copies. Yet one aspect of copyright is that a copy, once purchased, can be reproduced at will without a digital lock. So there have been a lot of losses in these sectors.

As I said earlier, there are a number of grey areas and vague terms regarding presentation for educational purposes and the context thereof. In the case of films presented in classrooms as part of the curriculum, there is no ambiguity. There are, however, abuses on both sides in the case of presentations for purely recreational purposes. That has an impact on us and is harmful to the entire production.

Our company is a bit different because we are a distributor and a representative, but not a product creator. I can tell you, however, that various parties that produced films in Canada and especially in Quebec are having a lot of problems as a result of these changes to the act.

It does not encourage film production. American productions are naturally bigger and more resilient. They can therefore enter Canada and displace Canadian products, especially those in English.

Hon. Maxime Bernier: So there is a direct effect owing to the competition from Netflix and similar companies. What impact has the arrival of these big players had on your industry?

Mr. Jean-François Cormier: I have to admit that it is quite recent.

We are facing unfair competition in a sense from Netflix, iTunes, Google Play and all those companies. Technically, the films we can rent on Netflix are for personal use. There are, however, many situations in which these films are shown publicly, such as at bars, schools or restaurants. Someone who has a Netflix account can use it to show a film publicly for commercial purposes. Some bars and restaurants do that to attract customers. So that is direct infringement in respect of various parties in the industry, including cable companies, documentary producers, and us, among others.

There are no rules that apply to the Netflixes of the world in terms of public rights. A disclaimer appears in fine print on page eight of the site, but no one reads it. Overall, there is a lot of abuse.

In a number of cities, films have been shown publicly as a recreational activity by using the personal Netflix account of a municipal employee. This is unacceptable. In many cases, however, the people do not know that they do not have the right to do that. Netflix does not necessarily inform them of the rules, or does so in a roundabout way and very briefly.

● (1640)

Hon. Maxime Bernier: In your recommendations, you said that the reproduction exemption should be limited to educational purposes. Can you make a more specific legislative suggestion as to the framework that we should create?

Mr. Jean-François Cormier: Yes, we could certainly submit something to you.

Essentially, we are definitely opposed to the reproduction exemption for educational purposes because it infringes on our activities, but we are especially concerned about its ambiguity. This vagueness creates a lot of grey areas and room for abuse and it is difficult to defend ourselves legally since there are arguments on all sides.

This also applies to sectors such as jointly owned properties and public areas. There are all kinds of grey areas in copyright. It is hard for small companies like ours to fight the school board, governments or ministries of education, for instance. It is impossible for us.

Hon. Maxime Bernier: Very good. I really appreciate what you have said.

If you could submit some specific suggestions to the committee as to the framework for this exemption, that would be very helpful.

Thank you.

The Chair: Thank you very much.

Mr. Baylis, you have five minutes.

Mr. Frank Baylis (Pierrefonds—Dollard, Lib.): Mr. Cormier, Mr. Bernier asked all the questions I had for you, so I thank him for that.

[*English*]

I'm going to talk then about private copying. I think, Ms. McAllister and Mr. Henderson, you brought that up. When we used cassettes, discs, and blank CDs, there was a levy put on them. That doesn't exist, I believe you said, due to a court case. It didn't exist, let's say, when iPods came out, or my phone that has music.

Do I understand that you'd like to see it applied to these mediums, and in what amounts? Do you have any amounts that you're thinking of? How would you see that being distributed among the artists? I'll ask both of you to elaborate on that.

Mr. Graham Henderson: What's being asked by the community, and I think we've all aligned on this, is not to impose a levy on consumers, but to seek a fund, a temporary four-year fund. The number that has come up is about $40 million per year. That is therefore not a levy. It becomes something that comes out of treasury. It's a decision that the Government of Canada will have to make as to whether it feels it's important enough to remunerate artists and others for private copying, which, by the way, is what happens elsewhere in the world, often through levies. However, that's not our proposal.

Mr. Frank Baylis: Go ahead.

Ms. Laurie McAllister: To add with respect to your question about how it would be distributed, there's already an effective system in place. The CPCC collects the money and distributes it. There is a very efficient system in place already, and that's the system—

Mr. Frank Baylis: It's not used as much. You said there was a radical drop in the amount.

Ms. Laurie McAllister: There was a radical drop because of the way the court interpreted the—

Mr. Frank Baylis: Let's say we changed the laws. I understand that Mr. Henderson says we should make a fund. Let's say we didn't do that. Let's say that the courts had interpreted it the other way. Would that have been helpful, then, that there would have been this levy on these electronic devices?

Ms. Laurie McAllister: Absolutely. If the levy applied to the devices, I don't think we'd be here right now asking for this.

Mr. Frank Baylis: Fair enough.

Why would you rather see a fund created than just putting a levy on these electronic devices?

Ms. Laurie McAllister: The levy is the long-term solution, and that's the copyright reform that we're seeking, but it will take time to enact that.

In the interim, the CPCC will be providing a detailed proposal, and I think they're appearing in front of you on Thursday. They can give more details about how that fund would work. It's based on the urgency.

● (1645)

Mr. Frank Baylis: Oh, it's a stopgap for—

Ms. Laurie McAllister: It is, yes.

Mr. Frank Baylis: That's what you said: for four years, can you give us $40 million—

Mr. Graham Henderson: While we sort this out.

Mr. Frank Baylis: —while we sort this out?

The end game is that you would like to see these electronic copying devices captured as—

Mr. Graham Henderson: When these private copies are made.

Mr. Frank Baylis: Private copies.

Mr. Graham Henderson: Correct me if I'm wrong, but I thought that was the Liberal Party platform.

Some hon. members: Oh, oh!

Mr. Frank Baylis: I'm asking the questions here.

Where does the $40 million come from?

Mr. Graham Henderson: The number?

Mr. Frank Baylis: Yes.

Mr. Graham Henderson: I think that's an estimate of what the number would look like if a levy were imposed.

Mr. Frank Baylis: If a levy were imposed.

Mr. Graham Henderson: It would look something like that.

Mr. Frank Baylis: Okay.

Ms. Laurie McAllister: It's based on calculations. Back in 2004, I think the level was at $38 million. Private copying has actually increased, doubled since then.

Mr. Frank Baylis: Mr. Henderson, you brought up the aspect that the streaming gives 60% of the income while YouTube gives 6%, and that YouTube is far more used, so it's not paying its fair share.

I assume that's what you were trying to say.

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: Would you be looking for the government to mandate a kind of tariff on a YouTube video? How do see the government addressing that?

Mr. Graham Henderson: I don't think the government should be getting involved in price setting or instructing people to pay this price or that price. I think what the government has to do is to remove the marketplace advantages they gave to entities like Google and YouTube. They gave them advantages by giving them a safe harbour; so whatever goes on, they say, "It's not my fault. I don't know what's going on. These are crazy dumb pipes. Who knows?" When we negotiate with them, they can shield themselves behind that.

If there were no safe harbour, then YouTube would be forced to negotiate with performers, publishers, and labels in exactly the same way that Spotify had to. You can see in the market that we got a very, very different rate.

In that realm, you get to say, "Do you know what? No. I don't like your price. We're all getting together—independents, everybody. We all agree the price isn't right, sorry." Then they come back to the table.

Mr. Frank Baylis: Safe harbour is taking away your ability to negotiate.

Mr. Graham Henderson: Yes, because in the case of the safe harbour, if they don't like our price, they can say to us, "Fine. There's no deal. Take your content down." If the legal content comes down, the illegal content will go up, and it will still be available.

That's the bad old world that we were in. In that type of an environment, you are forced to negotiate with one arm tied behind your back.

The Chair: Thank you.

We're going to move to Mr. Lloyd.

You have five minutes, please.

Mr. Dane Lloyd (Sturgeon River—Parkland, CPC): Thank you.

Thank you, everyone, for coming out today. I appreciated your testimony.

In the common theme of everyone else, I'm going to be asking you questions, Mr. Henderson.

You mentioned that one of your four recommendations was to harmonize our protection rules from 50 years to 70 years, like many of our trading partners. The first thing that comes to my mind is the person who dies, and then for 70 years after their death, their estate benefits from that.

Are there further benefits for the creator while they're alive, and can you describe those, please?

Mr. Graham Henderson: Absolutely.

You have to think of a copyright as an income stream that stretches out into the future. You can value—like there's a business—the income stream that a given set of copyrights would throw off. If I were to extend the term of my rights in that copyright by 20 years, the net present value of that copyright increases.

Mr. Dane Lloyd: You could borrow against that during your lifetime—

Mr. Graham Henderson: Correct, or when you sell it, suddenly it's like I'm not selling you life plus 50 anymore, I'm selling you life plus 70, and that has a greater value. There's an immediate tangible impact on the value of catalogues.

Mr. Dane Lloyd: Can you also describe how, if the government were to implement that recommendation, that would affect Canadian cultural exports?

Mr. Graham Henderson: What it would mean is that Canadian performers would end up with rights that look like those that belong to French performers and German performers and American performers around the world. This is a real question of harmonizing. If I may say, under the last government, we were very gratified that the Conservative government extended the term of copyright in master recordings to accord with international standards.

This is sort of the mirror image. The last government was able to extend the term of copyright, and rightly so, in master recordings, and now this is almost just balancing the books.

● (1650)

Mr. Dane Lloyd: I bought a computer a couple of years ago, and I was really shocked. It was the first laptop I've ever purchased that didn't have a CD-ROM in it. Looking at the levy that was put on blank CDs, clearly, despite the court decision, it's becoming obsolete on its own, just by technology.

In leading off my colleague Mr. Baylis's question, how would you envision a levy working in our digital age? Any of the other witnesses can pipe in on this one as well.

Would it be on a device? What about the streaming websites? Would it just be like a thing on the streaming website?

Ms. Laurie McAllister: It's any device that we use to make copies of sound recordings.

It's important to remember that back when we were making those mix tapes and those CDs, it was an infringement. The private copying levy was introduced to compensate artists rather than starting to go after all these individuals making these copies. We've lost the exchange. We've lost the compensation.

Mr. Dane Lloyd: If it's just a blanket levy on a device, wouldn't you admit that there are people who could buy these devices who won't be infringing on any copyright?

Mr. Graham Henderson: I think the important thing is that if you were to go the fund route, then we're not worried about impacting consumers.

Mr. Dane Lloyd: That's the short-term route, as was said.

Mr. Graham Henderson: Yes, but it could be the long term. The point would be that the government is recognizing the importance of performers and others getting paid for this type of copying.

Mr. Dane Lloyd: If we want to look at a levy as a long-term route, how can we fairly put a levy on devices when—you could tell me if I'm wrong—you could buy a device and not use it for any copyright infringement activity?

Mr. Graham Henderson: They can do it in France. There are lots of places around the world that do this. It's just a question of measuring and estimating, and then allocating. There are very sophisticated algorithms that would be able to do that.

Mr. Dane Lloyd: In my last 30 seconds, would you say there's no better way that you can think of to implement a levy than to put a levy on devices?

Mr. Graham Henderson: Well, I personally think it should be a fund.

Mr. Dane Lloyd: Yes, and that's clear in the testimony, but is there any better way than a device levy that could be recommended?

Mr. Graham Henderson: Not if you want to compensate, no.

Mr. Dane Lloyd: Yes, Mr. Schiller.

Mr. Francis Schiller: May I just supplement? I think that the U.S. Congress offers an excellent example here.

To protect television stations, they diversified beyond copyright and implemented a retransmission consent regime which just required the distributor to obtain the consent of the signal owner before content was retransmitted, and that simple consent requirement instilled a negotiation between the two parties, and it evolved. Initially it wasn't about obtaining fees, but as the market matured and as the industry shifted, they came to market-negotiated settlements, and government was not involved at all, and it's sustained by being palatable for the consumer. They have value in what they're providing, and consumers will pay for it.

The Chair: Thank you.

We're going to move to Ms. Ng.

You have five minutes.

Ms. Mary Ng (Markham—Thornhill, Lib.): Thank you, everyone, for joining us today. This has been very valuable testimony.

I'm going to pick up on your point there. Could a consent regime work in the music context?

Mr. Graham Henderson: This is the first I've heard of it. I have no idea.

Ms. Mary Ng: It's interesting because if what happens is that content gets created, and if the distribution channel needs to have a consent mechanism, and if there's another jurisdiction that's already doing that, but if we haven't heard of it, then how broadly does that work in the U.S., as an example? Do we have anything comparable?

Mr. Graham Henderson: I don't know, but it sure sounds complicated to me.

I think that the beauty of our proposal—and it is an industry-wide proposal—is to simply employ a fund. Cut the Gordian knot, make it simple, and come up with a solution that is palatable, that doesn't immediately impose any burden on consumers. It's the Government of Canada and the people of Canada acknowledging that these copies are being made, and people should be compensated, and we can do it quickly without thousands of hours of testimony or study.

● (1655)

Ms. Mary Ng: Beyond the four years then, we talked about moving towards a system where there could be levies, and then the levies would actually generate the income. If I think about it at the macro level, the income of the content creators has been so disrupted because of the overall disruption following the emergence of the Googles, YouTubes, etc.

How do we get to a place where in that rebalance the content that is created by the creators then has a fair compensation in the new world? A fund is a fund, but presumably somewhere down the road you're going to have to increase it because there's more content generated, etc., so that's not sustainable.

Mr. Graham Henderson: No. I think it's absorbing a lot of attention here today, but it's actually a minor piece in the puzzle.

The bigger issue is getting that marketplace working again, and you get the marketplace working again by getting rid of all of these cross-subsidies, all of these negotiating imbalances that were imposed on the creative community.

Ms. Mary Ng: Is it just the Copyright Act, or is it elsewhere as well?

Mr. Graham Henderson: It's mostly the Copyright Act. That's where all these exceptions sit, and so there is a power on this committee. If you choose to, you can make changes that can impact Canadians almost immediately, instead of waiting years for studies.

I know we have to go through this process, but if you look at the $1.25 million, you see that it was something that was supposed to be transitional. It was a thing of the moment, and it somehow stuck around, and the same would be true of the sound recording exemption. These are things that were, "Okay, let's make an exception. This is a new right. Oh, boy, this could be really bad." Well, now we know it's not that bad and so now is the time. Now that we know how badly creators are being impacted by it, let's feed money back.

Meanwhile, streaming, we hope, will continue to grow. Streaming rates will continue to rise. The marketplace is rapidly shifting. If I asked you or you asked me five years ago what the future would be, we probably all would have thought it was digital downloads. Digital downloads are going to be the first to almost completely disappear. Do you know what's actually going up? Vinyl. Vinyl's a big piece. Five years ago I might have said it's all digital downloads. Today, is it all streaming? I don't know. Let's wait five years.

Ms. Mary Ng: I'm going to share a bit of time with David.

Do I have any time?

The Chair: Yes, you have 30 seconds.

Ms. Mary Ng: There you go, David.

A voice: Pardon me, may I just supplement, ma'am?

Ms. Mary Ng: I think he wants to get this in.

Mr. David Lametti (LaSalle—Émard—Verdun, Lib.): Yes, I want to get this in.

I still buy vinyl. I have all the way through.

Whether it's a fund or tariff, how do we ensure that artists are primarily benefiting from it? I'm old enough to remember that the Canadian Private Copying Collective was criticized for not distributing any money at all for a number of years and then finally got to it. How do we ensure it? Are we going to track streaming? Are we going to—

Mr. Graham Henderson: Part of the answer is that the performer groups, the label groups, and the music publishers have all come together on this. There's no issue among us. We're confident that money will be divided appropriately. It has been to date—nobody's unhappy about it—and it will continue to be. In fact, as far as the major labels go, it will be a very small share that would accrue to them.

I think you have to listen to us. If we're all coming and saying that this will work, that it will get to performers and songwriters, and that it will get to the people it needs to get to, then that's pretty good.

The Chair: Thank you.

Ms. Laurie McAllister: As a performers' group, we've been very pleased with the CPCC, the process, the operations, and how the pot is divided.

The Chair: Thank you.

We're going to move to Mr. Masse, and then we'll have a lightning-quick round after that.

Mr. Masse, you have a couple of minutes.

● (1700)

Mr. Brian Masse: Really quickly, across the board, one thing is the time frame. We're just doing a review. It's going to go to the minister. The minister is then going to respond to the review. Then, if there are legislative changes, those will require further committee work, unless the minister acts unilaterally, which is very, very rare. At any rate, in the meantime, we'll be looking at what goes through the regulatory process and what goes through the legislative process. We're going to be looking at that.

Really quickly, what is your opinion on the Copyright Board, and is there work on the Copyright Board that can be done now to help the organizations you represent? Maybe I'll start with ACTRA and go across.

Mr. Elliott Anderson: We put in a submission to the Copyright Board review. We'd been hoping that things will move quickly. I could share the submission, but in essence, yes, I do think there's a lot that can be done in terms of moving to more mediation, setting clear deadlines, and being clearer on definitions. There seems to be a lot of low-hanging fruit there, and I'm hoping we'll see that process move along quickly.

Mr. Graham Henderson: Minister Bains has been very engaged on this. There was a Senate hearing. The bureaucrats, everybody... this is one of those unique situations where nobody is throwing bricks through anybody's window. Everybody agrees that it's dated, dysfunctional, and needs to be fixed. Those were the words of the Senate.

My understanding is that Minister Bains is moving forward. We would hope—

Mr. Brian Masse: I'm not looking for the minister's opinion. I can get that any day in question period.

Voices: Oh, oh!

Mr. Brian Masse: I'm looking for yours.

Mr. Graham Henderson: Well, that's my opinion.

I think that if he does what Elliott said, it will be great.

Mr. Brian Masse: Okay.

Mr. Francis Schiller: I think that the Copyright Board is limited by the policies that it implements. The reality is that the mismeasurement of viewing of U.S. services in Canada has led to the unfair treatment of U.S. stations in Canada. The gaming of the system that has allowed different property owners to benefit while U. S. station owners have lost out is something that has to be dealt with at the macro level.

That's why I was interested in—

Mr. Brian Masse: I'm trying to focus on the Copyright Board here.

Mr. Francis Schiller: I reaffirm that it's outdated, but it has to be addressed in the context of a larger policy.

Mr. Brian Masse: Okay.

Mr. Jean-François Cormier: I would agree with the gentlemen. It's somewhat outdated. The information on us is outdated on there. We're listed, but it takes years and years to—

Mr. Brian Masse: I appreciate that. We're looking at some controllables here. That's what we're looking to get.

The Chair: Thank you very much.

Mr. Jowhari, you have up to seven minutes.

Mr. Majid Jowhari (Richmond Hill, Lib.): I'm going to leave my time to Mr. Longfield.

The Chair: Are we playing pinball?

Mr. Lloyd Longfield: Yes, it would be all around the bases. I'm going to send it over to Frank and—

The Chair: You have seven minutes. Use them wisely.

Mr. Lloyd Longfield: Thank you.

Mr. Henderson, when we talk about the $1.25 million, at the time the market was set up, we had a lot of small players in the market, and then we had some big players purchase those, so now $1.25 million.... If one of the larger players owns 100 of those small players, do they get $100 million?

Mr. Graham Henderson: Well, $100 million plus of income is exempt from being royalty bearing.

Mr. Lloyd Longfield: Right. So they actually benefit from the purchase. In addition to benefiting from the commercial transaction they also get additional exemptions.

Mr. Graham Henderson: Yes. There is royalty-free income. It's not supposed to be royalty-free. It's supposed to carry a royalty. You're right. It was originally intended—and I think Elliott or Laurie made this point—for very small mom and pop stations, community radio, universities, and we're in. Protect them.

Mr. Lloyd Longfield: That's part of the market correction we talked about.

Mr. Graham Henderson: Yes.

Mr. Lloyd Longfield: Thank you.

I'll hand it over to Mr. Baylis.

Mr. Frank Baylis: To follow up on Lloyd's point, it might be a good business strategy to buy some of these very small ones just to get.... If I'm making a load of money here, I might actually buy ones that I know are very small to take that exemption and use it elsewhere.

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: Okay. I would like to talk about the lack of remuneration in television and film soundtracks. I think both you and Ms. McAllister touched on that.

If I understand it, someone writes a song, someone sings a song, and someone puts it out on a label.

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: In this example we're giving, the writer who wrote the song would still be remunerated. Is that correct?

Mr. Graham Henderson: Yes. I believe Mr. Longfield read some testimony of Miranda Mulholland into the record last time around, if I'm not wrong. Miranda is well known for having given this very specific example of *Republic of Doyle*. She played fiddle all over 200 episodes of that and received her basic union—

● (1705)

Mr. Frank Baylis: I understand that. I just want to cut up who gets and who doesn't get.

Mr. Graham Henderson: She doesn't.

Mr. Frank Baylis: I understand that. If I wrote the song—

Mr. Graham Henderson: You would get money.

Mr. Frank Baylis: —whether it's played on the radio or on television or in a movie—

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: As a writer I still get it. I'm not exempt.

Mr. Graham Henderson: Right.

Mr. Frank Baylis: As the person who sings it, though, if I sang it and went on the radio, I would get it.

Mr. Graham Henderson: That's one case where you would.

Mr. Frank Baylis: But if someone took that great song and put it in a film or on television, I would not?

Mr. Graham Henderson: Correct.

Mr. Frank Baylis: You're saying in this instance it is the performer, the singer of the song, who is cut off, but the person who wrote it is still covered both ways, and your argument is that it's unfair to the singer.

Mr. Graham Henderson: We want to harmonize the laws of our land. By the way, on radio the performer is disadvantaged because remember that first $1.25 million.

Mr. Frank Baylis: Yes. We get that. We got that one.

What about the publisher or the producer in both radio and on television?

Mr. Graham Henderson: The publisher is the person who works with the songwriter. It's like a business person who helps songwriters maximize their income. They are paid. Over on the performer side, for the label that signed the performer to a recording contract, the performer's not paid, the label's not paid, whether you're an independent or a major.

Mr. Frank Baylis: We got the performers not being paid. The label is getting paid if it goes on the radio?

Mr. Graham Henderson: No.

Mr. Frank Baylis: It's never getting paid.

Mr. Graham Henderson: Not on the first $1.25 million.

Mr. Frank Baylis: Let's assume that's fixed.

The label should get remuneration.

Mr. Graham Henderson: Yes. The same way the publisher does.

Mr. Frank Baylis: Yes. The same way. However, on television specifically and film, the label doesn't get either.

Mr. Graham Henderson: Correct.

Mr. Frank Baylis: However, the writer and the producer do?

Mr. Graham Henderson: Yes. Think about it here. You have your publisher and your songwriter. There is a business relationship.

Mr. Frank Baylis: Publisher and songwriter.

Mr. Graham Henderson: They are getting everything.

Over here you have the recording label and the performer. They get nothing—

Mr. Frank Baylis: They get nothing.

Mr. Graham Henderson: —on sound recording and they have the exemption to deal with on radio.

Mr. Frank Baylis: When it goes on television—

Mr. Graham Henderson: As background.

Mr. Frank Baylis: —and that background they are out—

Mr. Graham Henderson: The residuals.

Mr. Frank Baylis: —but the other ones are in—

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: —and you're saying that doesn't make sense.

Mr. Graham Henderson: No.

Mr. Frank Baylis: Then with respect to radio, you're saying everybody has been given this great exemption, "Listen, the first $1.25 million of income you got from advertising you don't need to pay any royalties on that."

Mr. Graham Henderson: Right. We're saying, "Start paying."

Mr. Frank Baylis: That's for both sides in that case.

Ms. Laurie McAllister: No. That's only for performers and label.

Mr. Graham Henderson: It's just for performers and label.

Ms. Laurie McAllister: Again, performers and labels are the ones that are subject—

Mr. Frank Baylis: The exemption of the $1.25 million is just the performers and the label as well.

Ms. Laurie McAllister: Correct.

Mr. Frank Baylis: Even in that case the writer and the publisher are still covered.

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: Do you know why they would have thought this idea up?

Mr. Graham Henderson: It's because the right that belongs to the performer and the label was a new right that was created in 1997 by the Government of Canada. It's called the neighbouring rights. They created that new right to address this problem.

The example I give is my wife's in a band called Cowboy Junkies and she sang a very famous version of Lou Reed's song *Sweet Jane*. The problem was that Lou got paid all the money for Margo's version. Margo didn't get a nickel because she had no right in that performance.

Mr. Frank Baylis: As a solution, what you would like us to do is, first of all, we have the radio, $1.25 million, so that would take that off, but even if that was taken away, it still would not be fair to the performer on the radio or it would then?

Mr. Graham Henderson: It would then. If we get rid of the exception—

Mr. Frank Baylis: That fixes everything for radio.

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: Now, if we come to television and film, you're saying that there is this non-capture for payment—

Mr. Graham Henderson: Correct.

Mr. Frank Baylis: —to the artist and the artist's—

Mr. Graham Henderson: The performer and the label.

Mr. Frank Baylis: Okay, so those two things are—

Mr. Graham Henderson: Yes.

Mr. Frank Baylis: Thank you.

Mr. Graham Henderson: You're welcome.

The Chair: You have one minute left.

Mr. Frank Baylis: All right, I can take it.

Did you have something, David, or not?

Mr. David Lametti: No, I'm good.

The Chair: Now you have 45 seconds.

Mr. Frank Baylis: All right. Just quickly, the Beijing treaty does address this exact issue, does it not?

Ms. Laurie McAllister: The Beijing treaty addresses proper compensation for those who appear in audiovisual performances. Separately, we're talking about the definition of a sound recording, what you hear when you're watching an audiovisual work. They are two separate—

Mr. Frank Baylis: What is it that the Beijing treaty takes care of, the audio, visual, or both?

Ms. Laurie McAllister: The Beijing treaty takes care of the audiovisual performance, the actors who you see, the performers you see on screen.

● (1710)

Mr. Frank Baylis: The performers—

Mr. Graham Henderson: Not musicians.

Mr. Frank Baylis: Okay, when you're talking from actors' perspective, you're talking about the actors, and you're concerned that they're not getting compensated too in these audiovisuals or—

Mr. Elliott Anderson: It's that in essence they don't have.... For a number of years now, audio artists have had economic and moral rights in the Copyright Act. We're asking that those be extended, but if you perform, call it audiovisual performance, but if you act in a movie those—

Mr. Frank Baylis: —call it visual, I guess.

Mr. Elliott Anderson: Yes, those same rights aren't accorded, and what we're saying is that the Beijing treaty is an international understanding that the Copyright Act should be amended accordingly to say that performers have rights.

Mr. Frank Baylis: Just quickly, as an actor, though, you have to sign those rights away anyway, don't you, whether they exist or not?

Mr. Elliott Anderson: Those rights are collectively bargained, but, again, this gets to the notion that Graham was talking about earlier. Having those rights assigned in copyright legislation, not just in Canada but countries all over the world, would allow performers in their collective bargaining.... It would underpin our collective bargaining.

We already negotiate residual payments for performers, but this would underpin that and would ensure that ACTRA PRS is better able to collect money on behalf of performers in different organizations.

I realize we're way over, sorry.

The Chair: I'm going to collect that time at the next committee meeting.

We're going to move to Mr. Jeneroux.

You have one or two minutes.

Mr. Matt Jeneroux: Yes, about one minute is all I need.

Mr. Schiller, in your experience with the U.S. and Canadian models, what differences have you seen between the remuneration for American creators in the U.S. versus Canadian creators, and which policies are at the root of those differences?

Mr. Francis Schiller: In 1992 the U.S. Congress recognized that copyright was not sufficient in and of itself to remunerate local television stations. They implemented a retransmisison consent regime that required distributors to secure the consent of the station owner before they packaged and sold those channels. That has become a vital revenue stream, a commercial revenue stream, and it's critical for the success of local stations in the U.S.

It's notable that in Canada, in the former government, the CRTC implemented what was called the value-per-signal regime, which was a retransmission consent regime, and it was only overturned by the Supreme Court here in Canada because the Supreme Court deemed that the CRTC exceeded its authority under copyright, and so we do have decisions that support a retransmission consent regime to provide supplemental revenues or stations. The challenge is really just amending the copyright act to remove the compulsory licence and instill a consent requirement. We believe that is critical for moving forward in a stable and profitable way into the future.

The Chair: Is there anything else?

Good, it looks like you have answered all of our questions here.

I'd like to thank our witnesses for being here today. Clearly there are a lot of questions that are going back and forth, and it is important that the role of the committee is to ask hard questions and push back on what we hear as we continue this study.

Thank you.

Mr. Graham Henderson: I might add that we want our performers to live long and prosper.

The Chair: You've been following, haven't you?

Voices: Oh, oh!

The Chair: On that note, thank you all very much.

The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its Committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its Committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its Committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the *Copyright Act*. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a Committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the *Copyright Act*.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its Committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: http://www.ourcommons.ca

Publié en conformité de l'autorité du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la *Loi sur le droit d'auteur*. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la *Loi sur le droit d'auteur*.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante : http://www.noscommunes.ca